

**AN ORDINANCE BY
FINANCE/EXECUTIVE COMMITTEE**

AN ORDINANCE TO AMEND THE FISCAL YEAR 2011 AIRPORT REVENUE FUND AND RENEWAL & EXTENSION FUND BUDGETS BY TRANSFERRING APPROPRIATIONS IN THE AMOUNTS OF \$3,666,660.00 AND \$472,008.00 RESPECTIVELY TO THE FUNDS' RESERVE ACCOUNT FOR THE PURPOSES OF ENHANCING THE CITY OF ATLANTA DEPARTMENT OF AVIATION'S FINANCIAL POSITION AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") owns and operates the Hartsfield-Jackson Atlanta International Airport (the "Airport"); and

WHEREAS, the City of Atlanta is preparing to issue bonds on behalf of the Department of Aviation to refund some of its previously issued debt and acquire the additional funding required to finance the Maynard Holbrook Jackson Jr. International Terminal ("MHJIT"); and

WHEREAS, transferring appropriations from operating expense accounts to a fund's reserve account effectively reduces the operating expense budget; and

WHEREAS, a reduction of appropriations in the operating expense accounts represent a cost containment effort to limit spending and serve to enhance the department's debt service coverage ratio; and

WHEREAS, the forecast of an enhanced debt service coverage ratio may prove favorable in the eyes of primary bond rating agencies and positively impact the Airport's bond rating; and

WHEREAS, the Department of Aviation has determined that it would be beneficial to amend the Fiscal Year 2011 (Airport Revenue Fund and Renewal & Extension Fund) Budgets impacting the department organizations in Exhibit I.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS as follows:

SECTION 1: That the Fiscal Year 2011 (Airport Revenue Fund) Budget be and hereby is amended as follows:

TRANSFER FROM APPROPRIATIONS

Revenue Fund	Dep't/ Org.	Account #	Account Title	Airport Function Activity	Total
5501	180101	5111001	Salaries Regular	7563000	\$183,512.00
5501	180101	5124101	Pension Contribution	7563000	\$53,767.00
5501	180101	5121003	Health Insurance	7563000	\$6,859.00

5501	180101	5121001	Life Insurance	7563000	\$128.00
5501	180101	5123001	Medicare Contribution	7563000	\$2,662.00

5501	180101	5212001	Consulting Professional Svcs.	7563000	\$51,164.00
5501	180101	5235001	Business Travel/ Per Diem	7563000	\$45,000.00
5501	180101	5235003	Training & Travel Per Diem	7563000	\$16,600.00
5501	180101	5237002	Training & Registration	7563000	\$19,952.00
5501	180101	5311001	Supplies, Consumable	7563000	\$59,500.00
5501	180101	5730005	Business Meeting Expense	7563000	\$75,000.00
5501	180102	5111001	Salaries Regular	7563000	\$35,775.00
5501	180102	5124102	Defined Contribution	7563000	\$2,147.00
5501	180102	5121003	Health Insurance	7563000	\$6,859.00
5501	180102	5121001	Life Insurance	7563000	\$25.00
5501	180102	5123001	Medicare Contribution	7563000	\$518.00
5501	180102	5212001	Consulting Professional Svcs.	7563000	\$20,000.00
5501	180102	5730005	Business Meeting Expense	7563000	\$21,500.00
5501	180107	5111001	Salaries Regular	7563000	\$33,397.00
5501	180107	5124102	Defined Contribution	7563000	\$2,004.00
5501	180107	5121003	Health Insurance	7563000	\$6,859.00
5501	180107	5121001	Life Insurance	7563000	\$23.00
5501	180107	5123001	Medicare Contribution	7563000	\$484.00
5501	180107	5212001	Consulting Prof. Svcs.	7563000	\$10,000.00
5501	180107	5213001	Consulting Prof. Svcs. - Tech	7563000	\$608,309.00
5501	180107	5222002	Repair & Maintenance - Equip.	7563000	\$150,547.00
5501	180107	5232001	Telephone Expense	7563000	\$234,052.00
5501	180107	5316001	Equipment \$1,000 to \$4,999	7563000	\$10,000.00
5501	180107	5316002	Equipment \$0 to \$999	7563000	\$14,000.00

5501	180116		5111001	Salaries Regular	7563000	\$41,053.00
5501	180116		5124101	Defined Benefit	7563000	\$12,028.00
5501	180116		5121003	Health Insurance	7563000	\$6,859.00
5501	180116		5121001	Life Insurance	7563000	\$29.00
5501	180116		5123001	Medicare Contribution	7563000	\$595.00
5501	180201		5222002	Repair & Maintenance-Equip.	7563000	\$5,000.00
5501	180201		5223202	Operating Lease/Rental-Equip	7563000	\$15,000.00
5501	180201		5233001	Advertising	7563000	\$50,000.00
5501	180201		5234001	Printing & Binding	7563000	\$6,757.00
5501	180201		5235001	Business Travel/ Per Diem	7563000	\$2,540.00
5501	180201		5236001	Memberships	7563000	\$700.00
5501	180201		5316001	Equipment (\$1,000 - \$4,999)	7563000	\$3,302.00
5501	180201		5317001	Uniforms	7563000	\$9,660.00
5501	180201		5730005	Business Meeting Expense	7563000	\$35,000.00
5501	180201		5730008	Property Tax	7563000	\$400,000.00
5501	180206		5111001	Salaries Regular	7563000	\$65,895.00
5501	180206		5124102	Defined Contribution	7563000	\$3,954.00
5501	180206		5121003	Health Insurance	7563000	\$6,859.00
5501	180206		5121001	Life Insurance	7563000	\$46.00
5501	180206		5123001	Medicare Contribution	7563000	\$955.00
5501	180206		5317001	Uniforms	7563000	\$500.00
5501	180206		5234001	Printing & Binding	7563000	\$3,393.00
5501	180206		5235001	Business Travel/ Per Diem	7563000	\$1,587.00
5501	180206		5236001	Memberships	7563000	\$1,700.00
5501	180206		5730005	Business Meeting Expense	7563000	\$5,000.00

5501	180207		5234001	Printing & Binding	7563000	\$11,457.00
5501	180207		5235001	Business Travel/ Per Diem	7563000	\$3,174.00
5501	180207		5236001	Memberships	7563000	\$5,900.00
5501	180207		5314001	Subscriptions	7563000	\$10,000.00
5501	180207		5317001	Uniforms	7563000	\$1,500.00
5501	180207		5730005	Business Meeting Expense	7563000	\$5,000.00
5501	180208		5111001	Salaries Regular	7563000	\$109,167.00
5501	180208		5124102	Defined Contribution	7563000	\$6,550.00
5501	180208		5121003	Health Insurance	7563000	\$6,859.00
5501	180208		5121001	Life Insurance	7563000	\$76.00
5501	180208		5123001	Medicare Contribution	7563000	\$1,583.00
5501	180208		5234001	Printing & Binding	7563000	\$1,934.00
5501	180208		5235001	Business Travel/ Per Diem	7563000	\$1,429.00
5501	180208		5236001	Memberships	7563000	\$1,000.00
5501	180208		5317001	Uniforms	7563000	\$1,000.00
5501	180208		5730005	Business Meeting Expense	7563000	\$2,000.00
5501	180209		5234001	Printing & Binding	7563000	\$1,459.00
5501	180209		5235001	Business Travel/ Per Diem	7563000	\$1,270.00
5501	180209		5236001	Memberships	7563000	\$700.00
5501	180209		5317001	Uniforms	7563000	\$500.00
5501	180209		5730005	Business Meeting Expense	7563000	\$3,000.00
5501	180401		5212001	Consulting Professional Svcs.	7563000	\$622,000.00
5501	180402		5212001	Consulting Professional Svcs.	7563000	\$35,050.00
5501	180402		5222001	Repair & Maintenance-Bldg.	7563000	\$25,000.00
5501	180402		5234001	Printing & Binding	7563000	\$110,000.00
5501	180402		5235001	Business Travel/ Per Diem	7563000	\$10,000.00
5501	180402		5311001	Consumable Supplies	7563000	\$3,000.00
5501	180402		5316007	Furniture/Fixtures (\$1k-\$5k)	7563000	\$3,500.00
5501	180402		5316008	Furniture/Fixtures (\$0-\$1k)	7563000	\$3,000.00
5501	180402		5317001	Uniforms	7563000	\$1,300.00

5501	180403		5212001	Consulting Professional Svcs.	7563000	\$64,920.00
5501	180403		5236001	Memberships	7563000	\$1,127.00
5501	180403		5317005	Media. Published/Electronics	7563000	\$850.00
5501	180405		5212001	Consulting Professional Svcs.	7563000	\$144,800.00
5501	180405		5233001	Advertising	7563000	\$87,500.00
5501	180405		5235001	Business Travel Per diem	7563000	\$20,000.00
5501	180406		5234001	Printing & Binding	7563000	\$10,000.00
				Total		\$3,666,660

TRANSFER TO APPROPRIATIONS

Revenue Fund	Dep't/ Org.		Account #	Account Title	Airport Function Activity	Total
5501	200101		5999901	Reserves	1512000	\$3,666,660

TRANSFER FROM APPROPRIATIONS

Renewal & Extension Fund	Dep't/ Org.	Account #	Account Title	Airport Function Activity	Total
5502	180107	5111001	Salaries Regular	7563000	\$58,510.00
5502	180107	5124102	Defined Contribution	7563000	\$3,511.00
5502	180107	5121003	Health Insurance	7563000	\$6,859.00
5502	180107	5121001	Life Insurance	7563000	\$41.00
5502	180107	5123001	Medicare Contribution	7563000	\$848.00
5502	180201	5111001	Salaries Regular	7563000	\$209,622.00
5502	180201	5124102	Defined Contribution	7563000	\$12,578.00
5502	180201	5121003	Health Insurance	7563000	\$20,577.00
5502	180201	5121001	Life Insurance	7563000	\$147.00
5502	180201	5123001	Medicare Contribution	7563000	\$3,039.00
5502	180206	5111001	Salaries Regular	7563000	\$46,000.00
5502	180206	5124102	Defined Contribution	7563000	\$2,760.00
5502	180206	5121003	Health Insurance	7563000	\$6,859.00
5502	180206	5121001	Life Insurance	7563000	\$32.00
5502	180206	5123001	Medicare Contribution	7563000	\$667.00
5502	180207	5111001	Salaries Regular	7563000	\$86,588.00
5502	180207	5124102	Defined Contribution	7563000	\$5,195.00
5502	180207	5121003	Health Insurance	7563000	\$6,859.00
5502	180207	5121001	Life Insurance	7563000	\$61.00
5502	180207	5123001	Medicare Contribution	7563000	\$1,255.00
			Total		\$472,008.00

TRANSFER TO APPROPRIATIONS

Renewal & Extension Fund	Dep't/ Org.	Account #	Account Title	Airport Function Activity	Total
5502	200101	5999901	Reserves	1512000	\$472,008.00

SECTION 2: That all ordinances or parts in conflict herewith be the same are hereby repealed.

EXHIBIT I

Department Organizations by number and name

- 1) 180101 = Office of the GM
- 2) 180102 = Human Resources
- 3) 180107 = Information Services Division
- 4) 180116 = Debt/ Treasury
- 5) 180201 = Aviation Capital Plan
- 6) 180206 = P&D Planning
- 7) 180207 = P&D Engineering
- 8) 180208 = P&D Project Management
- 9) 180209 = P&D Environment
- 10) 180401 = Parking
- 11) 180402 = Concessions
- 12) 180403 = Commercial Properties
- 13) 180405 = Marketing
- 14) 180406 = Customer Service
- 15) 200101 = Non Departmental Reservation of Funds

Department of Aviation
FY 11 Budget Reduction Totals
by
Department Organization & Fund

	Department Organization Title		Airport Revenue Fund	Airport Renewal & Extension Fund
			Budget Reductions	Budget Reductions
1)	180101	Office of the GM	\$514,144	
2)	180102	Human Resources	\$86,824	
3)	180107	Information Services Division	\$1,069,675	\$69,769
4)	180116	Debt / Treasury	\$60,564	
5)	180201	Aviation Capital Plan	\$527,959	\$245,963
6)	180206	P&D Planning	\$89,889	\$56,318
7)	180207	P&D Engineering	\$37,031	\$99,958
8)	180208	P&D Project Management	\$131,598	
9)	180209	P&D Environment	\$6,929	
10)	180401	Parking	\$622,000	
11)	180402	Concessions	\$190,850	
12)	180403	Commercial Properties	\$66,897	
13)	180405	Marketing	\$252,300	
14)	180406	Customer Service	\$10,000	
		Total	\$3,666,660	\$472,008

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The Department of Aviation has engaged in an additional cost containment exercise as one of its strategies to reduce expenditures in FY11. Various accounts have been identified to receive budget cuts and savings will be achieved upon "defunding" of several vacant positions. The legislation will serve as a vehicle to reduce operating appropriations and transfer account balances to the reserves.

2. Please provide background information regarding this legislation.

The Department of Aviation is preparing to re-enter the Bond Market to refinance some of its previously issued debt and acquire additional proceeds required to finance a new International Terminal. Financial Consultants have advised that the City can make its bonds more attractive to investors if it strengthens its financial position by demonstrating that it has a probable performance of generating a debt coverage ratio (net operating revenue plus interest divided by debt service) of 1.5 times. Aviation has begun taking steps to enhance its revenues and reduce its expenses which will assist in achieving a debt coverage ratio of 1.5.

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**

(b) **Source Selection:**

(c) **Bids/Proposals Due:**

- (d) Invitations Issued:
- (e) Number of Bids:
- (f) Proposals Received:
- (g) Bidders/Proponents:
- (h) Term of Contract:

4. Fund Account Center (Ex. Name and number):

Fund: _____ Account: _____ Center: _____

5. Source of Funds: Example: Local Assistance Grant

6. Fiscal Impact: Budget Adjustment = \$4,138,668 as a result of budget reductions (multiple accounts) in the Airport Revenue Fund and the Airport Renewal & Extension Fund.

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____. (see attachment)

7. Method of Cost Recovery: Not applicable

Examples:

- a. *Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. *Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By:

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 09/14/10

Anticipated Committee Meeting Date(s): 09/29/10

Anticipated Full Council Date: 10/04/10

Legislative Counsel's Signature: N/A

Commissioner Signature: 

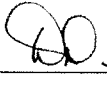
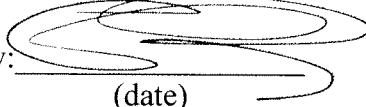
CAPTION

AN ORDINANCE TO AMEND THE FISCAL YEAR 2011 AIRPORT REVENUE FUND AND RENEWAL & EXTENSION FUND BUDGETS BY TRANSFERRING APPROPRIATIONS IN THE AMOUNTS OF \$3,666,660.00 AND \$472,008.00 RESPECTIVELY TO THE FUNDS' RESERVE ACCOUNT FOR THE PURPOSES OF ENHANCING THE CITY OF ATLANTA DEPARTMENT OF AVIATION'S FINANCIAL POSITION AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any) \$4,138,668

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 9.13.10  Reviewed by: 
(date) (date)

Submitted to Council: _____
(date)